

ORIGINAL



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BEFORE THE CORPORATION CO.

Commissioners

GARY PIERCE – Chairman
BOB STUMP
SANDRA D. KENNEDY
PAUL NEWMAN
BRENDA BURNS

IN THE MATTER OF THE
APPLICATION FOR APPROVAL
OF A RATE INCREASE
BY MONTEZUMA RIMROCK
WATER COMPANY, LLC

RECEIVED
AZ CORP. COMMISSION
DOCKET CONTROL

RECEIVED

NOV 20 2012

ARIZONA CORP. COMM
400 W CONGRESS STE 218 TUCSON AZ 85701

W-04254A-12-0204
W-04254A-12-0205
W-04254A-12-0206
W-04254A-12-0207

Arizona Corporation Commission

DOCKETED

NOV 20 2012



**Notice of Filing First Data Request to
Montezuma Rimrock**

**Motion to Compel Production of Records
requested in First Data Request**

**Notice of Filing Second Data Request to
Montezuma Rimrock**

**Notice of Montezuma Rimrock Violating
Oct. 29 Procedural Order requiring Company to
Comply with A.A.C. R14-3-107(C) and Motion
for Sanctions**

**Notice of Filing Yavapai County Judgment
Case No: V32012000758 vs. Montezuma
Rimrock**

By the Intervener:

First Data Request:

On October 26, 2012, Intervener filed his First Data Request with Montezuma Rimrock (Exhibit 1).

The request was sent by first class mail and was emailed to Montezuma Rimrock's email address that is commonly used in business communications, Patsy@montezumawater.com. (Exhibit 2). A copy of this email was sent to Corporation Commission staff.

On Oct. 29, 2012 at approximately 11:20 a.m., Intervener left a voice mail message on two MRWC phone numbers: 928-592-9211 and 928-300-3291, requesting that Montezuma Rimrock comply with the Data Request.

On Nov. 5, 2012, at approximately 4:15 p.m., Intervener left a voice mail message on the same two phone numbers requesting that Montezuma Rimrock comply with the Data Request. (Exhibit 3)

On Nov. 5, 2012, Intervener sent a second email to Montezuma Rimrock requesting it comply with the Data Request. (Exhibit 2).

On Nov. 20, Intervener received the first copies of Montezuma Rimrock filings in these dockets that, until ordered by the Commission, Montezuma Rimrock had failed to provide. This information was delivered to Intervener's PO Box in Rimrock, AZ.

In this packet of documents was a copy of Montezuma Rimrock's Nov. 15 false allegation that "it has not received any data requests from Mr. Dougherty."

Because of the continued obstruction by Montezuma Rimrock to comply with Data Requests, Intervener will henceforth file all Data Requests in this Docket as well as send them to Montezuma Rimrock by mail, email and make telephone notification.

Motion to Compel

Intervener respectfully requests the Commission to Order Montezuma Rimrock to immediately comply with Intervener's First Data Request and that all records requested should be delivered to Intervener no later than December 10, 2012. As part of this motion, Intervener has filed an accompanying certification.

Notice of Filing Second Data Request

On November 28, 2012, Intervener mailed his Second Data Request (Exhibit 4) to Montezuma Rimrock to PO Box 10, Rimrock, Arizona and sent a copy by email to patsy@montezumawater.com.

Notice of Montezuma Rimrock Violating Procedural Order

On Oct. 29, 2012, the Commission ordered Montezuma Rimrock on each future filing to include proof of service conforming to the requirements of AAC R14-3-107(c).

On Nov. 26, 2012, Montezuma Rimrock docketed an amendment to its rate application and failed to conform to AAC R14-3-107(c) by omitting notice of service of the amendment to Intervener.

Intervener moves the Commission to impose appropriate sanctions against Montezuma Rimrock for violating the Oct. 29 procedural order.

Notice of Judgment:

On Nov. 13, 2012, a Yavapai County hearing officer entered a judgment against Montezuma Rimrock for a zoning violation on parcel 405-25-517 and imposed a \$100 fine.

Parcel 405-25-517 is where Montezuma Rimrock constructed Well No. 4 without first obtaining commercial zoning and in violation of the Yavapai County Water Code.

The judgment requires Montezuma Rimrock to “cease all uses of the property” and “return the property to vacant land”.

A Civil Penalty of \$10,000 is imposed if Montezuma Rimrock fails to comply by Dec. 20, 2012. (Exhibit 5)

By the Intervener,



John E. Dougherty III

PO Box 501
Rimrock, AZ 86335

I certify that a copy of this Motion has been mailed on Nov. 29, 2012 to the Applicant:

Ms. Patricia Olsen
Montezuma Rimrock Water Company
P.O. Box 10
Rimrock, AZ 86335

Exhibit 1

October 26, 2012

Ms. Patricia Olsen
MRWC
PO Box 10
Rimrock, AZ 86335

Via email: Pasty@montezumawater.com

Re: Intervener John E. Dougherty's First Set of Data Requests to Montezuma Rimrock Water Company, ACC Docket No. W-4254A-12-0204, 0205, 0206 and 0207

Attached is John E. Dougherty's First Set of Data Requests to the Montezuma Rimrock Water Company. Mr. Dougherty should expect to receive the Company's response on or before November 9, 2012.

These requests are continuing in nature. Accordingly, the Company is requested to supplement prior responses if it receives or generates additional information, reports, or other data within the scope of these data requests between the time of the original response and any hearing that may be scheduled in connection with these dockets.

Please provide one copy of the requested data directly to:

Mr. John E. Dougherty
PO Box 501
Rimrock, Arizona, 86335

Or, please set up a time to review records in your office at the soonest possible date.

If you have any questions, please do not hesitate to contact me.

Thank you for your time and cooperation.

Very truly yours,

John E. Dougherty

**MONTEZUMA RIMROCK WATER COMPANY
DOCKET NO. W-4254A-12-0204, 0205, 0206 and 0207**

**INTERVENER JOHN E. DOUGHERTY'S
FIRST SET OF DATA REQUESTS**

1. Montezuma Rimrock's general accounting ledger from Oct. 1, 2011 through October 31, 2012.
2. All MRWC monthly bank statements from October 1, 2011 through October 31, 2012. This includes, but is not limited to, the five National Bank of Arizona accounts controlled by MRWC as of September 30, 2011 with the following account numbers:

Hookup Account
0076025247

Arsenic Account:
8010000035

Account Deposit
0070033318

Main Account
0070033297

Meter Deposit
0076025538

3. All MRWC quarterly unemployment tax filings for 2010, 2011 and 2012.
4. The complete, unredacted, Arizona Public Service Company monthly electric bills for Well No. 4 located on Yavapai County Parcel No. 405-25-517 from April 2011 through November 2012.
5. The Water Service Agreement between MRWC and Ms. Patricia Olsen in connection with the leasing of an Arsenic Treatment Facility and a building housing the ATF equipment.



John Dougherty <jd.investigativemedia@gmail.com>

1st Data Request ACC DOCKET NO. W-4254A-12-0204, 0205, 0206 and 0207

2 messages

John Dougherty <jd.investigativemedia@gmail.com>

Fri, Oct 26, 2012 at 4:27 PM

To: patsy@montezumawater.com

Cc: Charles Hains <CHains@azcc.gov>

Ms. Olsen,

Please see the attached Data Request.

You are required to produce the records requested within 10 days.

Please be advised if you fail to produce the records requested, I will file a Motion to Compel production of records with the Commission.

John Dougherty
InvestigativeMedia.com
602-710-4089

2 attachments



MRWC1stdaterequest102612.doc

37K



mrwccoverletdaterequest1102612.doc

39K

John Dougherty <jd.investigativemedia@gmail.com>

Mon, Nov 5, 2012 at 4:13 PM

To: patsy@montezumawater.com

Ms. Olsen, This is my second written request for you to respond to the attached Data Requests. Please respond to this email and let me know when you will supply the requested records. Please be advised if you fail to produce the records requested, I will file a Motion to Compell production of the documents.

[Quoted text hidden]

—

John Dougherty
InvestigativeMedia.com
602-710-4089

Exhibit 3

Calls to MRWC on filings/data request

Monday, Oct. 29, 2012

11:16 .m

Left message with MRWC ((928) 592-9211) asking for the company to comply with my request for filings in all four dockets and following up on sending email and U.S. mail on Data Requests sent on Oct. 26.

11:19 left message on MRWC cell phone 928-300-3291

Monday, Nov. 5, 2012

4:15 p.m.

928-592-9211

Data Request

4:18 p.m.

928-300-3291

Left message
on Data Request.

Exhibit 4

Nov. 28, 2012

Ms. Patricia Olsen
MRWC
PO Box 10
Rimrock, AZ 86335

Via email: Pasty@montezumawater.com

Re: Intervener John E. Dougherty's Second Set of Data Requests to Montezuma Rimrock Water Company, ACC Docket No. W-4254A-12-0204, 0205, 0206 and 0207

Attached is John E. Dougherty's Second Set of Data Requests to the Montezuma Rimrock Water Company. Mr. Dougherty should expect to receive the Company's response on or before December 12, 2012.

These requests are continuing in nature. Accordingly, the Company is requested to supplement prior responses if it receives or generates additional information, reports, or other data within the scope of these data requests between the time of the original response and any hearing that may be scheduled in connection with these dockets.

Please provide one copy of the requested data directly to:

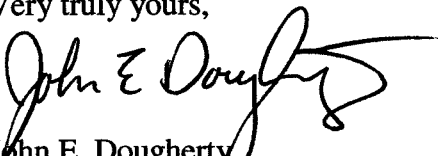
Mr. John E. Dougherty
PO Box 501
Rimrock, Arizona, 86335

Or, please set up a time to review records in your office at the soonest possible date.

If you have any questions, please do not hesitate to contact me.

Thank you for your time and cooperation.

Very truly yours,



John E. Dougherty

**MONTEZUMA RIMROCK WATER COMPANY
DOCKET NO. W-4254A-12-0204, 0205, 0206 and 0207**

**INTERVENER JOHN E. DOUGHERTY'S
SECOND SET OF DATA REQUESTS**

6. All MRWC financial records including checks, receipts, loan agreements, and any other financial instrument related to the purchase of land, permitting, legal fees, engineering, surveying and construction of MRWC's Well No. 4 including, but not limited to:

a. All MRWC expense receipts and payments including checks and credit card records related to the purchase of Yavapai County Parcel 405-25-517, including the down payment and all monthly payments made from MRWC accounts to Yavapai Title Company to pay a loan securing the property.

b. All MRWC expense receipts and payments including checks and credit card records related to the construction of Well No. 4 including the cost of digging the first well that was abandoned, the cost of relocating the well to a new site on the parcel, the cost of digging that well including all equipment, piping and other installation infrastructure including electrical facilities and fencing.

c. All MRWC expense receipts and payments including checks and credit card records related to the engineering, design, surveying and all other professional services used to construct Well No. 4 and meet all Arizona Department of Environmental Quality requirements for Approval to Construct and Approval of Construction permits.

d. All MRWC expense receipts and payments including checks and credit card records related to legal expenses connected with constructing Well No. 4 and seeking final permitting approval from Yavapai County.

e. All MRWC expenses receipts and payments including checks and credit card records related to 72-hour pump test of Well No. 4 to meet ADEQ permitting requirements.

7. All MRWC financial records including checks, receipts, loan agreements, and any other financial instrument related to the construction of a pipeline from Well No. 4 to Well No. 1, including, but not limited to:

a. All MRWC expense receipts and payments including checks and credit card records related to surveying, engineering, permitting and design of the pipeline.

b. All MRWC expense receipts and payments including checks and credit card records related to the purchase of pipe and other material for construction of the pipeline.

c. All MRWC expense receipts and payments including checks and credit card records related to the construction and installation of the pipeline.

8. All MRWC financial records including checks, receipts, loan agreements, and any other financial instrument related to acquisition of an Arsenic Treatment Facility that has been installed at Well site No. 1, including all lease payments for the ATF and the building housing the ATF.



John Dougherty <jd.investigativemedia@gmail.com>

Notice of Filing 2nd Data Request

1 message

John Dougherty <jd.investigativemedia@gmail.com>

Wed, Nov 28, 2012 at 7:51 PM

To: patsy@montezumawater.com

Cc: Charles Hains <CHains@azcc.gov>, Steven Olea <solea@azcc.gov>, Jodi Jerich <jjerich@azruco.gov>

Ms. Olsen, Please see the attached documents in connection with my Second Data Request for Discovery of MRWC records.

This Data Request, as well as the First Data Request that you falsely stated was not sent by me will be docketed with the Commission.

You are required to comply with this request within 10 days.

John Dougherty
InvestigativeMedia.com
602-710-4089

2 attachments



MRWC2ndDataRequest.doc

27K



MRWCcoverlet 2ndDatarequest 112812.doc

39K

Exhibit 5

YAVAPAI COUNTY DEVELOPMENT SERVICES
500 S. Marina St.
Prescott, AZ. 86303
(928) 771-3214

COUNTY OF YAVAPAI,
Plaintiff,

vs.

MONTEZUMA RIMROCK WATER CO
Defendant(s),

CASE NO: V32012000758

JUDGMENT

APN: 405-25-517

DISTRICT: 3

This matter having been heard 11-13-12 and the Hearing Officer finding that a violation exists, Judgment is entered in favor of the Plaintiff Yavapai County Development Services Department. A \$100.00 fine is due within 30 days of the date of this Judgment, and if not paid by that time collection of the \$100.00 fine will be turned over to a collection agency.

A CIVIL PENALTY in the amount of \$ 10,000.00 is imposed and will only be set aside if the following conditions are met:

1. REMOVE ALL OUTSIDE STORAGE INCLUDING ALL STRUCTURES AND EXISTING FENCING AND RETURN THE PROPERTY TO VACANT LAND
2. CEASE ALL USES ON THE PROPERTY
3. CALL THE LAND USE SPECIALIST FOR AN ONSITE COMPLIANCE INSPECTION OF THE PROPERTY

Property must be in compliance with all Planning and Zoning Ordinances and codes by: 12-20-12

Upon notice of compliance by the Development Services Department that the above conditions have been met within the applicable time, the CIVIL PENALTY shall be set aside and a notice that the property is in compliance will be issued. Failure to comply with any of the time frames set forth in this judgment will result in a Notice of Non-compliance being issued and sanctions being due immediately. A Notice of Non-compliance may result in a referral to the County Attorney for Civil or Criminal prosecution

Upon notice of inspection by the Development Services Department that the above conditions have not been met by the compliance date, the civil penalty will be due within 30 days of the date of this Judgment and if not paid by that time collection of the civil penalty will be turned over to a collection agency. In addition, the Yavapai County Development Services Department may, at its discretion, choose to record a copy of this judgment with the Yavapai County Recorder.

Dated: 11/12/13


CHARLES HASTINGS
HEARING OFFICER

Copy of the foregoing sent this 11.13.12

TO:

MONTEZUMA RIMROCK WATER CO
P.O. BOX 10
RIMROCK, AZ 86335

Kathleen McCann
Hearing Clerk